



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-201-844]

Steel Concrete Reinforcing Bar from Mexico: Preliminary Results of Antidumping Duty Administrative Review; 2016-2017

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that Grupo Simec made sales of subject merchandise at less than normal value during the November 1, 2016, through October 31, 2017, period of review (POR), and Deacero S.A.P.I de C.V. (Deacero) did not. We invite interested parties to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Stephanie Moore (Deacero) or Patricia Tran (Grupo Simec), AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington D.C. 20230; telephone (202) 482-3692 or (202) 482-1503, respectively.

SUPPLEMENTARY INFORMATION:

Background

On January 11, 2018, pursuant to section 751(a)(1) of the Tariff Act of 1930, as amended (the Act), Commerce initiated an administrative review of the antidumping duty order on steel concrete reinforcing bar (rebar) from Mexico.¹

On March 13, 2018, we selected Deacero and Grupo Simec as mandatory respondents.² On July 12, 2018, we issued a memorandum extending the time period for issuing the preliminary results of the instant administrative review from August 6, 2018 to December 3, 2018.³ For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁴ A list of topics included in the Preliminary Decision Memorandum is included as an Appendix to this notice.

Scope of the Order

Imports covered by the order are shipments of steel concrete reinforcing bar imported in either straight length or coil form (rebar) regardless of metallurgy, length, diameter, or grade. The merchandise subject to review is currently classifiable under items 7213.10.0000, 7214.20.0000, and 7228.30.8010. The subject merchandise may also enter under other Harmonized Tariff Schedule of the United States (HTSUS) numbers including 7215.90.1000, 7215.90.5000, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, 7222.11.0001, 7222.11.0057, 7222.11.0059, 7222.30.0001, 7227.20.0080, 7227.90.6085, 7228.20.1000, and 7228.60.6000. Although the HTSUS subheadings are provided for convenience and customs

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 1329 (January 11, 2018) (*Initiation Notice*).

² See Memorandum, titled “Antidumping Duty Administrative Review of Steel Concrete Reinforcing Bar from Mexico; 2016-2017, Selection of Respondents for Individual Examination,” dated March 13, 2018.

³ See Memorandum, titled “Antidumping Duty Administrative Review of Steel Concrete Reinforcing Bar from Mexico; 2016-2017 Steel Concrete Reinforcing Bar from Mexico: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review, 2016-2017” dated July 12, 2018. The memorandum incorrectly stated that the deadline is December 4, 2018; the actual deadline is December 3, 2018.

⁴ See memorandum, “Decision Memorandum for the Preliminary Results of Antidumping Duty Administrative Review: Steel Concrete Reinforcing Bar from Mexico, 2016-2017,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

purposes, the written description of the merchandise subject to the order is dispositive. A full description of the scope of the order is contained in the Preliminary Decision Memorandum.⁵

Methodology

Commerce is conducting this review in accordance with section 751(a)(2) of the Act. Export and constructed export price were calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our preliminary results, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov> and is available to all parties in the Central Records Unit, Room B-8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as an Appendix to this notice.

⁵ For a full description of the scope of the order, *see* the Preliminary Decision Memorandum.

Preliminary Results of the Review

As a result of this review, we calculated a weighted-average dumping margin of 3.70 percent for Grupo Simec and a de minimis margin for Deacero for the period November 1, 2016 through October 31, 2017. Therefore, in accordance with section 735(c)(5)(A) of the Act, we assigned the weighted-average dumping margin of 3.70 percent calculated for Grupo Simec to the nine non-selected companies in these preliminary results, as referenced below.

Producer and/or Exporter	Weighted-Average Dumping Margin (percent)
Deacero S.A.P.I de C.V.,	0.00 (<i>de minimis</i>)
Grupo Simec (Simec International 6 S.A. de C.V., Orge S.A. de C.V., Aceros Especiales Simec Tlaxcala, S.A. de C.V., Fundiciones de Acero Estructurales, S.A. de C.V., Perfiles Comerciales Sigosa, S.A. de C.V., Operadora de Perfiles Sigosa, S.A. de C.V.) ⁶	3.70
Ternium Mexico, S.A. de C.V.	3.70
ArcelorMittal Lazaro Cardenas S.A. de C.V.	3.70
Cia Siderurgica De California, S.A. de C.V.	3.70
AceroMex S.A.	3.70
ArcelorMittal Celaya	3.70
ArcelorMittal Cordoba S.A. de C.V.	3.70
Siderurgica Tultitlan S.A. de C.V.	3.70
Talleres y Aceros, S.A. de C.V.	3.70
Grupo Villacero S.A. de C.V.	3.70

Assessment Rate

Upon issuance of the final results, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review. If the weighted-average

⁶ Commerce previously collapsed Simec International 6 S.A. de C.V. and Orge S.A. de C.V. with Grupo Simec. *See Steel Concrete Reinforcing Bar from Mexico: Final Results of Antidumping Duty Administrative Review; 2014 – 2015*, 82 FR 27233 (June 14, 2017). In this administrative review, Commerce has preliminarily collapsed Aceros Especiales Simec Tlaxcala, S.A. de C.V., Fundiciones de Acero Estructurales, S.A. de C.V., Perfiles Comerciales Sigosa, S.A. de C.V., Operadora de Perfiles Sigosa, S.A. de C.V. Industrias CH is affiliated with Grupo Simec but Commerce is not collapsing the company into the single entity. *See Grupo Simec Affiliation and Collapsing Memorandum* dated December 3, 2018.

dumping margin for Deacero or Grupo Simec is not zero or *de minimis* (i.e., less than 0.5 percent), we will calculate importer-specific *ad valorem* antidumping duty assessment rates based on the ratio of the total amount of dumping calculated for each importer's examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1).⁷ If the weighted-average dumping margin for Deacero or Grupo Simec is zero or *de minimis* in the final results, or an importer-specific assessment rate is zero or *de minimis* in the final results, we will instruct CBP not to assess antidumping duties on any of their entries in accordance with the *Final Modification for Reviews*.⁸

In accordance with Commerce's assessment practice, for entries of subject merchandise during the POR produced by each respondent for which it did not know that its merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.

We intend to issue instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the notice of final results of administrative review for all shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for respondents noted above will be the rate established in the final results of this administrative review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning

⁷ In these preliminary results, Commerce applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012). (*Final Modification for Reviews*).

⁸ *Id.* at 8102.

of 19 CFR 351.106(c)(I), in which case the cash deposit rate will be zero; (2) for merchandise exported by producers or exporters not covered in this administrative review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation, but the producer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of the subject merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 20.58 percent, the all-others rate established in the antidumping investigation.⁹ These cash deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure

We intend to disclose the calculations performed in these preliminary results to parties in this proceeding within five days of the date of publication of this notice.¹⁰

Public Comment

Pursuant to 19 CFR 351.309(c)(ii), interested parties may submit case briefs not later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the date for filing case briefs.¹¹ However, Commerce intends to issue a supplemental questionnaire to Grupo Simec after the preliminary results. Thus, Commerce will subsequently notify parties of the case brief and rebuttal brief deadlines. Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) A statement of the issue; (2) a brief summary of

⁹ See *Steel Concrete Reinforcing Bar from Mexico: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances*, 79 FR 54967 (September 15, 2014).

¹⁰ See 19 CFR 351.224(b).

¹¹ See 19 CFR 351.309(d).

the argument; and (3) a table of authorities.¹² All briefs must be filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety by the established deadline.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, within 30 days after the date of publication of this notice. Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. If a request for a hearing is made, Commerce intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

We intend to issue the final results of this administrative review, including the results of our analysis of the issues raised in any written briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and increase the subsequent assessment of the antidumping duties.

Notification to Interested Parties

¹² See 19 CFR 351.309(c)(2) and (d)(2) and 19 CFR 351.303 (for general filing requirements).

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213(h)(1).

Dated: December 3, 2018.

Gary Taverman,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
 - II. Background
 - III. Scope of the Order
 - IV. Margin for Companies Not Selected for Individual Examination
 - V. Affiliation and Collapsing
 - VI. Application of Facts Available and Adverse Inferences
 - A. Legal Standard for Facts Available and Adverse Inferences
 - B. Application of Partial Adverse Facts Available (AFA) to Deacero
 - C. Selection of AFA Rate
 - VII. Discussion of Methodology
 - A. Comparisons to Normal Value
 - 1. Determination of Comparison Method
 - 2. Results of the Differential Pricing Analysis
 - B. Product Comparisons
 - C. Date of Sale
 - D. Constructed Export Price
 - E. Normal Value
 - 1. Home Market Viability
 - 2. Cost of Production (COP) Analysis
 - a. Calculation of Cost of Production
 - b. Test of Comparison Market Prices
 - c. Results of COP Test
 - F. Level of Trade
 - G. Sales to Affiliated Customers
 - H. Calculation of Normal Value Based on Comparison Market Prices
 - I. Currency Conversions
 - VIII. Recommendation
- [FR Doc. 2018-26770 Filed: 12/10/2018 8:45 am; Publication Date: 12/11/2018]